

Introduced by Senator Campbell

February 22, 2005

An act to amend Section 17375 of the Corporations Code, relating to limited liability companies.

LEGISLATIVE COUNSEL'S DIGEST

SB 1022, as introduced, Campbell. Limited liability companies.

The Beverly-Killea Limited Liability Company Act generally authorizes a business to organize as a limited liability company and to engage in any lawful business activity, except the banking business, the business of issuing policies of insurance and assuming insurance risks, or the trust company business. Existing law provides that this general authorization does not permit a limited liability company to render professional services, defined to mean any type of professional services that may be lawfully rendered only pursuant to a license, certification, or registration authorized by the Business and Professions Code, the Chiropractic Act, or the Osteopathic Act.

This bill would instead authorize a domestic limited liability company to be organized to render any professional services in this state, other than professional services in a profession that requires a license that is issuable solely to a natural person under the Business and Professions Code, the Chiropractic Act, or the Osteopathic Act.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 17375 of the Corporations Code is
2 amended to read:

1 17375. ~~Nothing in this title shall be construed to permit a~~
2 ~~domestic or foreign~~ limited liability company *may be organized*
3 ~~to render any professional services, as defined in subdivision (a)~~
4 ~~of Section 13401 and in Section 13401.3, in this state, other than~~
5 *professional services in a profession that requires a license that*
6 *is issuable solely to a natural person pursuant to the Business*
7 *and Professions Code, the Chiropractic Act, or the Osteopathic*
8 *Act. This section shall not be construed to authorize a limited*
9 *liability company to engage in the banking business, the business*
10 *of issuing policies of insurance and assuming insurance risks, or*
11 *the trust company business.*